Olson | Remcho

December 23, 2025

Ms. Patrice Lattimore, City Clerk
City of Los Angeles
200 N. Spring St., Room 360
Los Angeles, CA 90012

Re: Request for Title and Summary for Initiative Ordinance

Dear Ms. Lattimore:

I write on behalf of my clients, proponents of the attached initiative ordinance who have affixed their signatures below, to request that the City prepare and issue an Official Petition Title and Summary pursuant to the requirements of the Los Angeles City Election Code.

Attached is the language of the proposed initiative ordinance and the signatures and registered residence addresses of all five proponents, as required by Los Angeles City Election Code sections 705 and 706 and the proponent acknowledgements required by California Elections Code section 9608. The proponents designate Richard R. Rios and Ben Gevercer of Olson Remcho LLP as their designated representatives authorized to send and receive filings, notices, and communications on proponents' behalf. The proponents also authorize Juan Munoz, Andrea Romero, Jonah Breslau, Estefany Castaneda, and Andrew Seymour to submit documents pertaining to this initiative to the City Clerk's Office.

Signed: [redacted]
ROCKSAND RAMIREZ

Signed: [redacted]
ANA CECILIA PALACIOS TRUJILLO

Signed: [redacted]
YAJAIRA REYES

Signed: [redacted]
VICKY BEZA

Signed: [redacted]
LUCERO RAMIREZ TORRES

Please direct all inquiries or questions related to this measure to me or Ben.

Sincerely,

OLSON REMCHO LLP

RICHARD R. RIOS

2025 DEC 29 PM 1:24
ELECTION DIVISION

Long Beach
555 E. Ocean Blvd, Ste. 420
Long Beach, CA 90802

Sacramento
555 Capitol Mall, Ste. 400
Sacramento, CA 95814

Oakland
1901 Harrison St., Ste. 1550
Oakland, CA 94612

Olson Remcho LLP | olsonremcho.com

ACKNOWLEDGEMENT OF PROPONENT

I, Lucero Ramirez Torres, am a proponent of the attached proposed initiative measure and acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

Lucero Ramirez Torres
Printed Name

[redacted]
Signature of Proponent

Dated this 26 day of December, 2025

2025 DEC 29 PM 1:31
OFFICIAL ELECTION DIVISION

ACKNOWLEDGEMENT OF PROPONENT

I, Yajaira Reyes, am a proponent of the attached proposed initiative measure and acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

Yajaira Reyes
Printed Name

[redacted]
Signature of Proponent

Dated this 23rd day of December, 2025

FILED
ELECTIONS DIVISION
2025 DEC 29 PM 1:31

ACKNOWLEDGEMENT OF PROPONENT

I, Vicky Beza., am a proponent of the attached proposed initiative measure and acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

Vicky Beza
Printed Name

[redacted]
Signature of Proponent

Dated this 29 day of December, 2025

2025 DEC 29 PM 1:31
ELECTRONIC
ELECTION
DIVISION

ACKNOWLEDGEMENT OF PROPONENT

I, Ana Cecilia Palacios Trujillo, am a proponent of the attached proposed initiative measure and acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

Ana Cecilia Palacios Trujillo

Printed Name

[redacted]

Signature of Proponent

Dated this 23rd day of December, 2025

2025 DEC 29 PM 1:31
CITY CLERK
ELECTIONS DIVISION

ACKNOWLEDGEMENT OF PROPONENT

I, Rocksand Ramirez, am a proponent of the attached proposed initiative measure and acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

Rocksand Ramirez
Printed Name

[redacted]
Signature of Proponent

Dated this 23rd day of December, 2025

2025 DEC 29 PM 1:31
OFFICE OF
ELECTIONS DIVISION

TEXT OF THE PROPOSED MEASURE:

2025 DEC 29 PM 1:31

The people of the City of Los Angeles ordain as follows:

Section 1. Title.

This measure shall be known and may be cited as the Olympic Wage Initiative.

Section 2. Purpose.

Many workers in Los Angeles are currently experiencing severe economic distress. As wages have failed to keep pace with soaring housing costs, many working Angelinos have been required to spend an increasing share of their income to stay housed, to live far away from their workplaces, and in some cases to lose shelter altogether.

The California Housing Partnership reported in 2024 that renters in Los Angeles County needed to earn nearly three times the City of Los Angeles's minimum wage to afford the average monthly asking rent of $2,498. In part due to low wages, an estimated three out of four Los Angeles households are now rent burdened, meaning they spend over 30% of household income on rent and utilities.

This Ordinance will increase the minimum wage for workers across the City. Raising the wage floor for low-wage workers will serve not only to help struggling workers and their families get by, but will also benefit the broader economy as lower-wage workers tend to spend their income locally. It will also serve to protect the interests of taxpayers by lessoning the burden on the City to provide social support services to low-wage workers and their families.

To provide for consistency, this Ordinance removes exemptions currently available to hotel and airport employers, which are in one of Los Angeles's largest and most lucrative industries—tourism—and standardizes the yearly minimum wage adjustment for citywide and tourism workers. It is reasonable to expect tourism businesses that are expected to generate record profits from the 2026 World Cup and 2028 Olympics, among other major events in which the City has invested significantly, to pay their workers the minimum wage. The Ordinance also increases penalties for willful minimum wage violations by hotel employers.

The Ordinance will also ensure that hotel workers are paid fairly for burdensome workloads by adjusting the formula in existing law for large hotels to be required provide premium pay, prohibiting the exploitative practice of subcontracting housekeeping work, and strengthening remedies and enforcement measures.

Another purpose of this initiative ordinance is to reenact in full through the popular vote certain worker protections in the Citywide Hotel Worker Minimum Wage Ordinance (Article 6, Chapter XVIII of the Municipal Code) and in Article 11, Chapter 1, Division 10 of the Los Angeles Administrative Code as they existed as of December 15, 2025 (with amendments in some provisions to increase the protections). Reenacting these protections in full through the popular vote is intended to ensure, consistent with state law and the Los Angeles City Charter,

that future city councils cannot repeal or amend these protections to weaken or reduce them without the consent of the voters.

Together, these measures will help to lessen the income inequality that plagues Los Angeles and help to ensure that struggling low-wage workers are able to support their families.

Section 3. Section 187.01 of Article 7, Chapter XVIII is amended as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 187.01 DEFINITIONS

The following definitions shall apply to this article:

A. "**City**" means the City of Los Angeles.

B. "**Designated Administrative Agency (DAA)**" means the Office of Wage Standards of the Bureau of Contract Administration, which shall bear administrative responsibilities under this article.

C. "**Employee**" means any individual who:

1. In a particular week performs at least two hours of work within the geographic boundaries of the City for an Employer; and

2. Qualifies as an Employee entitled to payment of a minimum wage from any Employer under the California minimum wage law, as provided under Section 1197 of the California Labor Code and wage orders published by the California Industrial Welfare Commission.

D. "**Employer**" means any person, as defined in Section 18 of the California Labor Code, including a corporate officer or executive, who directly or indirectly or through an agent or any other person, including through the services of a temporary service or staffing agency or similar entity, employs or exercises control over the wages, hours or working conditions of any Employee.

E. "**Non-Profit Corporation**" means a non- profit corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and, if a foreign corporation, in good standing under the laws of the State of California, which corporation has established and maintains valid non-profit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder.

F. "**Person**" means any person, association, organization, partnership, business trust, limited liability company or corporation.

G. "**Service charge**" means all separately-designated amounts, regardless of name or label, collected by an Employer from a customer for service by an Employee, or described in such a way that customers might reasonably believe that the amounts are for the service including, but not limited to, those charges designated on receipts under the term "service charge," "delivery charge" or "porterage charge."

H. "**Wage**" means all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation, as defined in California Labor Code Section 200(a).

Section 4. Section 187.02 of Article 7, Chapter XVIII is amended as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 187.02. PAYMENT OF SICK TIME BENEFITS AND MINIMUM WAGE TO EMPLOYEES.

A. An Employer shall pay an Employee a wage of no less than the hourly rates set under the authority of this article.

B. Employers with 26 or more Employees shall provide Sick Time Benefits pursuant to Section 187.04 and pay a wage of no less than the hourly rates set forth:

1. Beginning on the effective date of this Initiative Ordinance, the hourly wage shall be $25.00.

2. On July 1, 2027, the hourly wage shall be $26.25.

3. On July 1, 2028, the hourly wage shall be $27.50.

4. On July 1, 2029, the hourly wage shall be $28.75.

5. On July 1, 2030, the hourly wage shall be $30.00.

~~1. On July 1, 2016, the hourly wage shall be $10.50.~~

~~2. On July 1, 2017, the hourly wage shall be $12.00.~~

~~3. On July 1, 2018, the hourly wage shall be $13.25.~~

~~4. On July 1, 2019, the hourly wage shall be $14.25.~~

~~5. On July 1, 2020, the hourly wage shall be $15.00.~~

C. Employers with 25 or fewer Employees shall provide Sick Time Benefits pursuant to Section 187.04 and pay a wage of no less than the hourly rates set forth:

1. Beginning on the effective date of this Initiative Ordinance, the hourly wage shall be $20.00.

2. On July 1, 2027, the hourly wage shall be $21.70.

3. On July 1, 2028, the hourly wage shall be $23.30.

4. On July 1, 2029, the hourly wage shall be $25.00.

5. On July 1, 2030, the hourly wage shall be $26.60.

6. On July 1, 2031, the hourly wage shall be $28.30.

7. On July 1, 2032, the hourly wage shall be $30.00.

~~1. On July 1, 2017, the hourly wage shall be $10.50.~~

~~2. On July 1, 2018, the hourly wage shall be $12.00.~~

~~3. On July 1, 2019, the hourly wage shall be $13.25.~~

~~4. On July 1, 2020, the hourly wage shall be $14.25.~~

~~5. On July 1, 2021, the hourly wage shall be $15.00.~~

D. On July 1, 2031~~22~~, and annually thereafter, the minimum wage applicable to Employees with 26 or more employees under Section 187.02 B will increase based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, which is published by the Bureau of Labor Statistics, or by 3%, whichever is greater. On July 1, 2033 and annually thereafter, the minimum wage applicable to Employees with 25 or fewer employees under Section 187.02 C will increase based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, which is published by the Bureau of Labor Statistics, or by 3%, whichever is greater. The DAA shall announce the adjusted rates on February 1st and publish a bulletin announcing the adjusted rates, which shall take effect on July 1st of each year.

E. Employees who are 14-17 years of age shall be paid not less than 85 percent of the minimum wage required by Section 187.02 and rounded to the nearest nickel during their first 160 hours of employment. After more than 160 hours of employment, Employees who are 14-17 years of age shall be paid the applicable minimum wage pursuant to this article.

F. A Non-Profit Corporation Employer, which also qualifies as a Local Transitional Employer, as defined by Los Angeles Administrative Code (LAAC) Section 10.25.1(m) ("Non-Profit/Local Transitional Employer"), can apply to the DAA for a limited exemption to this article. This limited exemption shall allow a "Non-Profit/Local Transitional Employer" to pay an Employee holding a Transitional Job, as defined by LAAC Section 10.25.1(s), wages less than

those required under Section 187.02 during the first 18 months of employment in the Transitional Job. The intent of this limited exemption is to create opportunities for the hardest to employ in the City, and shall be construed strictly in its application to an Employer seeking to qualify as a "Non-Profit/Local Transitional Employer".

G. For purposes of this article, on the effective date of this Initiative Ordinance, ~~on July 1, 2016,~~ the size of an Employer's business or Non-Profit Corporation shall be determined by the average number of Employees employed during the previous calendar year. The Employer shall comply solely under either Section 187.02 B. or C~~, until July 1, 2022, when the rate will be the same under both sections~~.

H. For purposes of this article, the size of an Employer's new business or Non-Profit Corporation in operation after the effective date of this Initiative Ordinance, ~~July 1, 2016,~~ shall initially be determined by the number of Employees employed during its first pay period. The Employer shall comply with wages due under the current year of operation under either Section 187.02 B. or C~~, until July 1, 2022, when the rate will be the same under both sections~~.

I. An Employer may not use gratuities, Service Charge distributions, or bonuses earned by an Employee to offset the wages required under this article. Service Charges shall not be retained by the Employer but shall be paid in the entirety by the Employer to the Employees performing services for the customers from whom the Service Charges are collected. No part of Service Charges may be paid to supervisory or managerial employees. The amounts shall be paid to the Employees equitably and according to the services that are related to the description of the Service Charges given by the Employer to the customer. The amounts shall be paid to the Employees in the next payroll following collection of an amount from the customer.

Section 5. Section 187.08 of Article 7, Chapter XVIII is amended as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 187.08. ~~NO WAIVER OF RIGHTS.~~ SUPERSESSION BY COLLECTIVE BARGAINING AGREEMENT

~~Any waiver by an Employee of any or all of the provisions of this article shall be deemed contrary to public policy and shall be void and unenforceable.~~ All of the provisions of this article, or any part of the article, may be waived in a bona fide collective bargaining agreement, but only if the waiver is explicitly set forth in that agreement in clear and unambiguous terms. Unilateral implementation of terms and conditions of employment by either party to a collective bargaining relationship shall not constitute or be permitted as a waiver of all or any part of the provisions of this article.

Section 6. Section 186.01 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025, is reenacted in full as follows:

SEC. 186.01. DEFINITIONS.

The following definitions shall apply to this article:

A. "**City**" means the City of Los Angeles.

B. "**Division**" shall mean the Office of Wage Standards of the Bureau of Contract Administration within the Department of Public Works.

C. **"Hotel"** means a residential building or transient occupancy residential structure that is designated or used for lodging and other related services for the public, and containing 60 or more guest rooms, or suites of rooms (adjoining rooms do not constitute a suite of rooms), or dwelling units that may be rented for periods of 30 days or fewer. "Hotel" also includes any contracted, leased or sublet premises connected to or operated in conjunction with the building's purpose, or providing services at the building. "Hotel" does not include a Short-Term Rental, as defined in Municipal Code Section 12.22 A.32. The number of guest rooms, suites of rooms, or dwelling units shall be calculated based on the room count on the opening of the Hotel or on December 31, 2012, whichever is greater. "Hotel" also includes any hotel within the Airport Hospitality Enhancement Zone, which encompasses the boundaries of the Gateway to LA Property Business Improvement District (Gateway to LA PBID), established by Ordinance Number 177,211, containing 50 or more guest rooms, or suites of rooms located within that area, and includes any contracted, leased, or sublet premises connected to or operated in conjunction with the building's purpose, or providing services at the building. If the Gateway to LA PBID ceases to exist, the boundaries at the time of dissolution shall remain in effect for purposes of this article.

D. "**Hotel Employer**" means a Person who owns, controls and/or operates a Hotel in the City, or a Person who owns, controls and/or operates any contracted, leased or sublet premises connected to or operated in conjunction with the Hotel's purpose, or a Person who provides services at the Hotel.

E. "**Hotel Worker**" means any individual whose primary place of employment is at one or more Hotels and who is employed directly by the Hotel Employer, or by a Person who has contracted with the Hotel Employer to provide services at the Hotel. "Hotel Worker" does not include a managerial, supervisory or confidential employee.

F. "**Person**" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, business trust, estate, trust, association, joint venture, agency, instrumentality, or any other legal or commercial entity, whether domestic or foreign.

G. "**Service Charge**" means all separately- designated amounts, regardless of name or label, collected by a Hotel Employer from a customer for service by Hotel Workers, or described in such a way that customers might reasonably believe that the amounts are for the service including, but not limited to, those charges designated on receipts under the term "service charge," "delivery charge" or "porterage charge."

H. "**Willful Violation**" means that the Hotel Employer deliberately failed or refused

to comply with the provisions of this article.

Section 7. Section 186.02 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025, is reenacted in full and amended as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

A. **Wages**. A Hotel Employer shall pay a Hotel Worker a wage of no less than the hourly rates set under the authority of this article.

1. If a Hotel Employer provides a Hotel Worker with health benefits as provided in Section 186.04 of this article, the Hotel Worker shall be paid the following:

(a) Beginning on July 1, 2024, the wage rate for a Hotel Worker shall be no less than $20.32 per hour.

(b) Beginning on July 1, 2025, the wage rate for a Hotel Worker shall be no less than $22.50 per hour.

(c) Beginning on July 1, 2026, the wage rate for a Hotel Worker shall be no less than $25.00 per hour.

(d) Beginning on July 1, 2027, the wage rate for a Hotel Worker shall be no less than $27.50 per hour.

(e) Beginning on July 1, 2028, the wage rate for a Hotel Worker shall be no less than $30.00 per hour.

(f) Beginning on July 1, 2029, and annually thereafter on July 1, the hourly wage rate for a Hotel Worker shall be adjusted higher by a percentage equal to the percentage increase, if any, in the Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, as measured from January to December of the preceding year, by 3%, or by an amount established by the City Council for that year, whichever is greater. The Division shall announce the adjusted rates on February 1st, or within two weeks of the release of the prior year's CPI-W, whichever is later, and publish a bulletin announcing the adjusted hourly wage rates, which shall take effect on July 1st of each year.

2. Beginning on ~~July 1, 2026~~the effective date of this Initiative Ordinance, if a Hotel Employer does not provide a Hotel Worker with health benefits as provided in Section 186.04 of this article, the Hotel Worker shall be paid the applicable wage rate in Section 186.02.A.1 and an additional wage rate of $8.35 per hour. Beginning on July 1, 2027, if a Hotel Employer does not provide a Hotel Worker with health benefits as provided in Section 186.04 of this article, the Hotel Worker shall be paid the applicable wage rate in Section 186.02.A.1 and an additional wage rate per hour equal to the health benefit payment in effect for an Employee of an Employer servicing the Airport pursuant to Section 10.37.3(a)(5) of the Los Angeles Administrative Code.

3. A Hotel Employer may not use gratuities, Service Charge distributions, or bonuses earned by a Hotel Worker to offset the wages required under this article.

B. **Time Off.**

1. **Compensated Time Off.** A Hotel Employer shall provide at least 96 compensated hours (or a greater number of hours that may be established by the City Council) off per year for sick leave, vacation, or personal necessity to full time Hotel Workers to be made available at the Hotel Worker's request.

(a) A full time Hotel Worker is classified as someone who works at least 40 hours a week or in accordance with the Hotel Employer's policies, if more generous. A full time Hotel Worker shall accrue at least 96/52 hours of compensated time off each week in a calendar year that the Hotel Worker has been employed by the Hotel Employer. Compensated time off does not accrue for work in excess of 40 hours a week. Full time Hotel Workers that work less than 40 hours a week will receive the compensated time off in proportional increments.

(b) A part time Hotel Worker is classified as someone who works less than 40 hours per week or in accordance with the Hotel Employer's policies, if more generous. A part time Hotel Worker shall accrue compensated time off in increments proportional to that accrued by someone who works 40 hours a week, in accordance with Section 186.02 B.1.(a).

(c) **General Rules for Compensated Time Off.**

(i) A Hotel Worker must be eligible to use accrued paid compensated time off after the first six months of employment or consistent with company policies, whichever is sooner.

(ii) A Hotel Employer may not unreasonably deny a Hotel Worker's request to use the accrued compensated time off.

(iii) Unused accrued compensated time off will carry over until the time off reaches a maximum of 192 hours, unless the Hotel Employer's established policy is more generous.

(iv) After a Hotel Worker reaches the maximum accrued compensated time off, a Hotel Employer shall provide a cash payment once every 30 days for accrued compensated time off over the maximum. A Hotel Employer may provide a Hotel Worker with the option of cashing out any portion of, or all of, the Hotel Worker's accrued compensated time off under the maximum, but, in no event, shall the Hotel Employer require a Hotel Worker to cash out any accrued compensated time off. Compensated time off cashed out shall be paid to the Hotel Worker at the wage rate that the Hotel Worker is earning at the time of cash out.

(v) A Hotel Employer may not implement any employment policy to count accrued compensated time off taken under this article as an absence that may result in discipline, discharge, suspension, or any other adverse action.

2. **Uncompensated Time Off.** Hotel Employers shall also permit full time Hotel Workers to take at least 80 additional hours per year of uncompensated time off to be used for sick leave for the illness of the Hotel Worker or a member of the Hotel Worker's immediate family where the Hotel Worker has exhausted their compensated time off for that year.

(a) A full time Hotel Worker is classified as someone who works at least 40 hours a week or in accordance with the Hotel Employer's policies, if more generous. A full time Hotel Worker shall accrue at least 80/52 hours of uncompensated time off each week in a calendar year that the Hotel Worker has been employed by the Hotel Employer. Uncompensated time off does not accrue for work in excess of 40 hours a week. Full time Hotel Workers that work less than 40 hours a week will receive the uncompensated time off in proportional increments.

(b) A part time Hotel Worker is classified as someone who works less than 40 hours per week or in accordance with the Hotel Employer's policies, if more generous. A part time Hotel Worker shall accrue uncompensated time off in increments proportional to that accrued by someone who works 40 hours a week, in accordance with Section 186.02 B.2.(a).

(c) **General Rules for Uncompensated Time Off.**

(i) A Hotel Worker must be eligible to use accrued uncompensated time off after the first six months of employment or consistent with company policies, whichever is sooner.

(ii) A Hotel Employer may not unreasonably deny a Hotel Worker's request to use the accrued uncompensated time off.

(iii) Unused accrued uncompensated time off will carry over until the time off reaches a maximum of 80 hours, unless the Hotel Employer's established policy is more generous.

(iv) A Hotel Employer may not implement any employment policy to count uncompensated time off taken under this article as an absence that may result in discipline, discharge, suspension, or any other adverse action.

Section 8. Section 186.04 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025, is reenacted in full as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 186.04. HEALTH BENEFITS.

Beginning on ~~July 1, 2026~~the effective date of this Initiative Ordinance, the health benefits required by this article shall consist of the payment per hour, by a Hotel Employer towards the provision of health care benefits for a Hotel Worker and dependents, of $8.35 per hour. Beginning on July 1, 2027, the health benefits required by this article shall consist of the payment per hour, by a Hotel Employer towards the provision of health care benefits for a Hotel Worker and dependents, equal to the health benefit payment in effect for an Employee of an Employer servicing the Airport pursuant to Section 10.37.3(a)(5) of the Los Angeles Administrative Code.

A. To be exempt from having to pay Hotel Workers with health benefits the wage rate in Section 186.02.A.2, Hotel Employers shall keep proof of the provision of such health benefits on file at the Hotel, and such proof shall be provided to the Division upon request.

B. Health benefits include health coverage, dental, vision, mental health, and disability income. For purposes of this article, retirement benefits, accidental death and dismemberment insurance, life insurance and other benefits that do not provide medical or health related coverage will not be credited toward the cost of providing Hotel Workers with health benefits.

C. If the Hotel Employer's hourly health benefit payment is less than that required under this article, the difference shall be paid to the Hotel Worker as an additional hourly wage.

D. Health benefits are not required to be paid on overtime hours.

E. Beginning on July 1, 2027, and annually thereafter each July 1, the payment amount for health benefits provided to a Hotel Worker working for a Hotel Employer shall be adjusted by a percentage equal to the percentage increase, if any, in the California Department of Managed Healthcare's Large Group Aggregate Rates (LGAR) report, as measured from January to December of the preceding year or by an amount established by the City Council, whichever is greater. The Division shall announce the adjusted rates on April 1st, or within two weeks of the release of the prior year's LGAR report, whichever is later, and publish a bulletin announcing the adjusted rates, which shall take effect on July 1st of each year.

Section 9. Section 186.07 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025 is reenacted in full as follows:

This article, including any penalties, fines, and other remedies available herein, shall be enforced by the Division pursuant to Section 188, et seq., of this Code. The Division may promulgate rules and regulations consistent with this article for the implementation of the provisions of this article. Any rules or regulations shall have the force and effect of law, and may be relied upon by Hotel Employers, Hotel Workers, and other parties to determine their rights and responsibilities under this article.

Section 10. Section 186.08 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025 is reenacted in full and amended to read as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC.186.08. PENALTIES AND REMEDIES PAYABLE TO THE HOTEL WORKER.

A. Civil Enforcement Action by Hotel Worker, City, or Third Parties. Any Hotel Worker aggrieved by a violation of this article, the City Attorney, or any other person or entity acting on behalf of the public as provided for under applicable state law, may bring a civil action in a court of competent jurisdiction against the Hotel Employer. A Hotel Worker or the City, upon prevailing, shall be entitled to such legal or equitable relief as may be appropriate to remedy the violation, including, without limitation, the payment or provision of any wages, health benefits, compensated time off, or Service Charges unlawfully withheld, the payment of penalties in the amount of up to ~~$120~~ $200 per aggrieved Hotel Worker for each day that the violation occurred or continued, reinstatement in employment and/or injunctive relief, and reasonable attorneys' fees and costs. For willful violations, the amount of monies to be paid to an aggrieved Hotel Worker shall be trebled. Any other person or entity enforcing this article on behalf of the public as provided for under applicable state law, upon prevailing, shall be entitled only to equitable, injunctive and/or restitutionary relief, and reasonable attorneys' fees and costs. Nothing in this article shall be interpreted as restricting, precluding, or otherwise limiting a separate or concurrent administrative action by the Division under Article 8 of Chapter XVIII, of this Code or a criminal prosecution under the Municipal Code or state law. Except to the extent a longer statute of limitations is allowed by the California Unfair Competition Law (California Business and Professions Code section 17208), or other applicable law, the statute of limitation for damages and penalties under this article shall be three (3) years.

B. Restitution and Penalty Assessments by the Division Payable to the Hotel Worker. Every Hotel Employer who violates this article, or any portion thereof, shall be liable to the Hotel Worker whose rights were violated for any and all relief, including, but not limited to, the payment or provision to each Hotel Worker of wages, health benefits, time off, or Service Charges unlawfully withheld and an additional penalty of up to ~~$120~~ $200 per aggrieved person per day that each of the violations occurred or continued. For willful violations, the amount of monies to be paid to an aggrieved Hotel Worker shall be trebled. A violation for unlawfully withholding wages, health benefit payments, compensated time off, or Service Charges shall be deemed to continue from the date immediately following the date that the payments were due and payable as provided in Part 1 (commencing with Section 200) of Division 2 of the California Labor Code, to the date immediately preceding the date the amounts owed are paid in full. For retaliatory action by the Hotel Employer, the Hotel Worker shall be entitled to reinstatement and a trebling of all wages, health benefits, compensated time off, or Service Charges, and penalties owed.

Section 11. Section 186.09 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025 is reenacted in full.

SEC. 186.09. ADMINISTRATIVE FINES AND PENALTIES PAYABLE TO THE CITY.

A. Penalties. A Hotel Employer who violates this article, or any portion thereof, shall be liable to the City for a penalty of up to $50 per day that wages, health benefit payments, compensated time off, or Service Charges are unlawfully withheld from a Hotel Worker. A violation for unlawfully withholding wages, health benefit payments, compensated time off, or Service Charges shall be deemed to continue from the date

immediately following the date that the wages were due and payable as provided in Part 1 (commencing with Section 200) of Division 2 of the California Labor Code, to the date immediately preceding the date the wages are paid in full.

B. Administrative Fines. An administrative fine payable to the City may be assessed for a violation of any provision of this article as specified below. The administrative fine may be assessed by means of a Notice of Correction, as provided in Section 188.06, issued to the Hotel Employer by the Division.

VIOLATION AND FINE AMOUNT

Failure to post notice of the wage rates, health benefits, time off benefits, and Service Charge requirements under this article - Municipal Code Section 188.03.A.	Up to $500
Failure to allow access to payroll records - Municipal Code Section 188.03.8.	Up to $500
Failure to allow access to records required by this article - Municipal Code Section 186.04.A or 188.03.C.	Up to $500
Failure to maintain payroll records or to retain payroll records for four years - Municipal Code Section 188.03.B.	Up to $500
Failure to allow access for inspection of records or to interview employees - Municipal Code Section, 188.03.B or 188.03.C.	Up to $500
Retaliation for exercising rights under this article - Municipal Code Section 186.06.	Up to $1,000
Failure to provide employer's name, address, and telephone number in writing - Municipal Code Sections 188.03.A or 188.05.D.	Up to $500
Failure to cooperate with the Division's investigation - Municipal Code Section 188.03.C or 188.05.D.	Up to $500
Failure to submit documents or information to the Division within 30 days of the request - Municipal Code Sections 188.03.B or 188.05.D.	Up to $500

Failure to post Notice of Correction to employees - Municipal Code Section 188.06.D.	Up to $500

C. Calculation of Administrative Fines. Each and every day that a violation exists constitutes a separate and distinct violation. Any subsequent violation of the same provision by the same Hotel Employer within three years of a prior Notice of Correction, as defined in Section 188.06, may result in a 50 percent increase in the maximum administrative fine allowed.

D. Payments to the City; Due Date; Late Payment Penalty.

Administrative fines and City penalties shall be payable to the City of Los Angeles and due within 30 days of the date of the Notice of Correction, as defined in Section 188.06. The failure of any Hotel Employer to pay an administrative fine or City penalty within 30 days may result in the assessment of an additional late fee. The additional late fee shall be ten percent of the total amount of the administrative fine or City penalty assessed for each month the amounts are unpaid, compounded to include already accrued late administrative fines and City penalties that remain unpaid.

E. Penalties and Fines under Section 186.08 and 186.09. The Division shall base its imposition of penalties and administrative fines for non- compliance with the City's laws after considering factors, including but not limited to (1) the extent of harm caused by the violation; (2) the nature and persistence of the violation; (3) the length of time over which the violation occurs; (4) the frequency of past violations; (5) any action taken to mitigate the violation; and (6) the financial burden to the Hotel Employer.

Section 12. Section 186.10 of Article 6, Chapter XVIII of the Los Angeles Municipal Code as it is in effect as of December 15, 2025 is reenacted in full and amended to read as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 186.10. WAIVERS.

A. **Collective Bargaining Agreement.** All the provisions of this article, or any part of the article, may be waived in a bona fide collective bargaining agreement, but only if the waiver is explicitly set forth in that agreement in clear and unambiguous terms. Unilateral implementation of terms and conditions of employment by either party to a collective bargaining relationship shall not constitute or be permitted as a waiver of all or any part of the provisions of this article.

~~B. **Limited Hardship Waiver for Hotel Employers.**~~

~~1. **Waiver application.** The Division shall grant a hardship waiver from the requirements of this article, subject to the limitation in subsection C below, to any Hotel Employer who~~

~~demonstrates that compliance with this article would require the Hotel Employer, in order to avoid bankruptcy or a shutdown of the Hotel Employer's hotel, to reduce its workforce by more than 20 percent or curtail its Hotel Workers' total hours by more than 30 percent. The Division shall grant such a hardship waiver only after reviewing a Hotel Employer's financial condition at the Hotel Employer's expense. A hardship waiver granted under this section shall be valid for no more than one year. A determination by the Division to grant or deny a request for a hardship waiver under this section may be appealed to a hearing examiner in accordance with established city practices for hearing examiner review.~~

~~2. **Notice of waiver application.** Prior to submitting a waiver application pursuant to this section, a Hotel Employer shall provide written notice of the waiver application to all Hotel Workers employed by the Hotel Employer. Within three days of receiving a waiver determination from the Division under this section, a Hotel Employer shall provide written notice of the determination to all Hotel Workers employed by the Hotel Employer.~~

~~3. **Applicable minimum wage and health benefits upon granting of a hardship waiver.** A Hotel Employer that receives a hardship waiver under this section shall be granted a 12-month delay in providing any new wage and health benefit increases that occur after the date the completed hardship waiver application is received by the Division. A Hotel Employer granted a waiver must pay a Hotel Worker the minimum wage rate specified in Section 186.02.A.1 and provide the health care benefits specified in Section 186.04 (or the additional wage rate specified in Section 186.02.A.2 if health care benefits are not provided) that are in effect at the time the Hotel Employer submits a waiver application.~~

B. ~~C.~~ **Waiver by Employee** - The Division may waive the health care provisions in Section 186.04 with respect to and at the request of an individual Hotel Worker who is eligible for benefits under Medicare, a health plan through the U.S. Department of Veteran Affairs, or a health plan in which the Hotel Worker's spouse, domestic partner or parent is a participant or subscriber to another health plan. A Hotel Worker who receives this waiver shall only be entitled to the hourly wage pursuant to Section 186.02.A.1, and an additional wage rate of:

1.$100 per month for a full-time employee as defined by the Affordable Care Act (ACA) and who works at least 30 hours per week or 130 hours per month; or

2. $50 per month for a half-time employee as defined by the ACA and who works less than 30 hours per week or 130 hours per month.

Section 13. Section 182.01 of Article 2, Chapter XVIII of the Los Angeles Municipal Code is amended to read as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 182.01. DEFINITIONS.

The following definitions shall apply to this article:

A. "**Additional bed room**" means a guest room with an additional bed or beds other than those regularly within the guest room, such as a cot or rollaway bed.

B. "**Adverse employment action**" means an action that detrimentally and materially affects the terms, conditions, or privileges of employment, including but not limited to any act to discharge, reduce in compensation, reduce work hours, alter established work schedules, increase workload, impose fees or charges, or change duties of a hotel worker.

C. "**Checkout room**" means a guest room to be cleaned by a hotel worker due to the departure of the guest assigned to that room.

D. "**City**" means the City of Los Angeles.

E. **"Client Hotel Employer"** means a hotel employer that obtains or is provided hotel workers to perform labor within its usual course of business from a labor contractor.

~~E~~F. "**Division**" shall mean the Office of Wage Standards of the Bureau of Contract Administration within the Department of Public Works.

~~F~~G. "**Emergency**" means an immediate threat to public safety or of substantial risk of property loss or destruction.

~~G~~H. "**Guest**" means a registered guest of a hotel, a person occupying a guest room with a registered guest, or a visitor invited to a guest room by a registered guest or other person occupying a guest room.

~~H~~I. "**Guest room**" means any room, suite of rooms, dwelling unit, cottage, or bungalow intended to be used by a guest of a hotel for transient sleeping purposes.

~~I~~J. "**Hotel**" means an establishment that provides temporary lodging for payment in the form of overnight accommodations in guest rooms to transient patrons for periods of thirty consecutive calendar days or less, and may provide additional services, such as conference and meeting rooms, restaurants, bars, or recreation facilities available to guests or to the general public. "Hotel" includes hotels, motor lodges, motels, apartment hotels, transient occupancy residential structures and extended-stay hotels that rent units (including units with kitchens) for fewer than thirty days, private residential clubs, tourist courts, and hostels that contain both dormitory-style accommodations and private guest rooms that may be reserved, meeting the definition set forth above. "Hotel" also includes any contracted, leased or sublet premises operated in conjunction with a hotel or that is used for the primary purpose of providing services at a hotel. Except as provided above, the term "Hotel" also does not include corporate housing, rooming houses, boarding houses, single-room occupancy housing, or licensed bed and breakfast establishments within a single-unit residence. "Hotel" does not include a Short-Term Rental, as defined in Municipal Code Section 12.22 A.32.

~~J~~K. "**Hotel building**" means a structure used as a hotel that contains one or more ground-floor public or guest entrances.

~~K~~L. "**Hotel employer**" means any person who owns, controls, or operates a hotel in the City, and includes any person or contractor who, in a managerial, supervisory, or confidential capacity, employs hotel workers to provide services at a hotel in conjunction with the hotel's purpose.

~~L~~M. "**Hotel worker**" means any person who is employed by a hotel employer to provide services at a hotel. "Hotel worker" does not include a managerial, supervisory or confidential employee.

N. **"Labor"** has the same meaning provided by California Labor Code §200.

O. **"Labor contractor"** means an individual or entity that supplies, either with or without a contract, a hotel employer with hotel workers to perform labor, as defined herein, within the hotel employer's usual course of business. "Labor contractor" does not include either of the following: (A) a bona fide nonprofit organization that provides services to workers; or (B) a bona fide labor organization, as defined in 29 U.S.C. § 152, or an apprenticeship program, training program, or hiring hall operated pursuant to a labor-management agreement.

~~M~~P. "**Personal security device**" means a portable electronic emergency contact device, including but not limited to a panic button, that signals the hotel worker's location and that provides direct contact between a hotel worker and a hotel security guard or responsible manager or supervisor designated by a hotel employer to respond to violent or threatening conduct. A personal security device does not include a whistle, noise-maker, alarm bell, or similar device that does not provide direct contact between the hotel worker and the designated security officer.

~~N~~Q. "**Room attendant**" means a hotel worker whose principal duties are to clean and put in order guest rooms in a hotel.

~~O~~R. "**Room cleaning**" means the performance of services or tasks that are required to maintain the cleanliness of a physical hotel room before, during, or after a guest's stay. Room cleaning does not include time spent maintaining or organizing inventory (e.g., mini-bar, toiletries, towels, linens) or time spent delivering such inventory to a guest room when not accompanied by other room cleaning tasks. Room cleaning does not include turndown service or tasks associated with preparing already-made beds for sleep when not accompanied by other room cleaning tasks. Room cleaning does not include preventative or as needed maintenance activities such as repair, replacement, and general maintenance of appliances, electronics, furniture, doors, windows, carpets, walls, plumbing, and other fixtures.

~~P~~S. "**Special-attention room**" means a checkout room or a guest room for which the occupant declined daily room cleaning on the immediately preceding day.

T. **"Usual course of business"** means the regular and customary work of a business, performed within or upon the premises or worksite of the client hotel employer.

~~Q~~U. "**Violent or threatening conduct**" means: (1) any conduct that involves the use of physical violence or that would reasonably be interpreted as conveying a threat of the use of

physical violence, and includes, but is not limited to, rape, assault (including sexual assault), and battery (including sexual battery), as defined by the California Penal Code, as well as any threat or attempt to commit such an act; or (2) any sexual conduct, or solicitation to engage in sexual conduct, directed by a guest at a hotel worker without the consent of the hotel worker and includes, but is not limited to, indecent exposure as defined by the California Penal Code.

~~R~~V. "**Workday**" means any consecutive 24-hour period commencing at the same time each calendar day

Section 14. Section 182.03 of Article 2, Chapter XVIII of the Los Angeles Municipal Code is amended to read as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

SEC. 182.03. MEASURES TO PROVIDE FAIR COMPENSATION FOR WORKLOAD.

A. **Workload limitation.** For hotels with at least 45 guest rooms, but fewer than 60 guest rooms, a hotel employer shall not require a room attendant to perform room cleaning amounting to a total of more than 3,500 ~~4,000~~ square feet of floor space in any eight-hour workday, unless the hotel employer pays the room attendant twice the room attendant's regular rate of pay for each and every hour worked during the workday. For hotels with 60 or more guest rooms, a hotel employer shall not require a room attendant to perform room cleaning amounting to a total of more than 3,000 ~~3,500~~ square feet of floor space in any eight-hour workday, unless the hotel employer pays the room attendant twice the room attendant's regular rate of pay for each and every hour worked during the workday. If a room attendant during a workday is assigned to clean any combination of five ~~six~~ or more special-attention rooms or additional-bed rooms, the total workload limitation under this section shall be reduced by 500 square feet for each such special-attention room or additional-bed room over four ~~five~~. If a room attendant is required to clean floor space in more than one hotel building during a workday, the total workload limitation under this subsection shall be reduced by 500 square feet for each additional hotel building. If a room attendant is required to clean floor space on more than two floors of a hotel building, the total workload limitation under this subsection shall be reduced by 500 square feet for each additional floor. The limitations contained in this section apply to any combination of spaces, including guest rooms, meeting rooms, and other rooms within the hotel, and apply regardless of the furniture, equipment, or amenities in such rooms. The hotel employer shall state the actual square footage of each room in any written assignment of rooms that it provides to room attendants.

B. **Workload proration.** The maximum floor space set forth in subsection (a) shall be reduced on a prorated basis if a room attendant works less than eight hours in a workday, or is assigned to perform room cleaning for less than eight hours in a workday, and shall be increased on a prorated basis for each hour of overtime that a room attendant works in excess of eight hours in a workday, and shall be calculated on a prorated basis by room attendant if a room attendant is assigned to clean rooms jointly with one or more other room attendants.

C. **Voluntary overtime.** A hotel employer shall not require or permit a hotel worker to work more than 10 hours in a workday unless the hotel worker consents in writing to do so. A

hotel worker's consent shall not be valid unless the hotel employer has advised the hotel worker in writing prior to the hotel worker's consent that the hotel worker may decline to work more than 10 hours in a workday and that the hotel employer will not subject the hotel worker to any adverse employment action for declining to work more than 10 hours in a workday. This subsection shall not apply in the event of an emergency.

D. **Daily Room Sanitizing and Cleaning.** A hotel shall not implement any program or policy whereby guest rooms are not sanitized and cleaned after each and every night that they are occupied, including a program under which guests receive a financial incentive to not have their guest room cleaned on a daily basis. This subsection does not prevent a hotel from continuing, modifying or establishing a sustainable environmental program, such as a "green program", under which guests are encouraged to re-use linens, bath towels or similar items, nor does it require a hotel to have any guest room cleaned when the occupant has opted-out of such service without solicitation by the hotel or when the occupant informs the hotel that they do not wish to be disturbed.

E. **Preservation of records.** Each hotel employer shall maintain for at least three years a record of each room attendant's name, rate of pay, pay received, identification of rooms cleaned, actual square footage of each room cleaned, number of special-attention rooms, number of additional hotel buildings, number of additional bed rooms, and total square footage cleaned for each workday, overtime hours worked for each workday, and any written consents provided pursuant to subsection C. above. A hotel employer shall make these records available for inspection and copying to any hotel worker or hotel worker's designated representative, except that the names and other personally identifying information of individual hotel workers shall be redacted except to the extent that the records identify the hotel worker who is making the request. A hotel employer shall maintain an accurate record of the square footage of each room that room attendants are assigned to clean, a copy of which shall be provided to any hotel worker who requests such record.

Section 15. A new Section 182.04 is added to Chapter XVIII, Article 2, as follows, and the remaining Sections of Article 2 are renumbered accordingly:

SEC. 182.04. SUBCONTRACTING OF HOUSEKEEPING WORK

A. Effective 30 days from the effective date of the Ordinance, a hotel employer that operates a hotel may not enter into any new, amended, or extended contract, oral or written, or any other arrangement, under which a labor contractor supplies hotel workers to perform room cleaning, as defined in section 182.02.

B. Subsection A of this section shall not apply to a temporary contract between a client hotel employer and a labor contractor that meets the following criteria:

(1) lasts no more than 3 consecutive days and is not subject to renewal during the same calendar year;
(2) addresses an unforeseen emergency; and
(3) does not displace or reduce the working hours of any hotel employee employed by the client hotel employer who performs room cleaning.

C. A client hotel employer may use one or more labor contractors to perform room cleaning pursuant to one or more temporary contracts under subsection B of this section for no more than 15 days during any calendar year.

D. Each hotel employer shall maintain for a period of three (3) years records showing any contract or other arrangement with a labor contractor for the provision of hotel workers to provide room cleaning and documentation of any unforeseen emergency or unexpected increase in demand used to justify the use of a temporary contract or arrangement under subsection B of this section. A hotel employer shall make these records available for inspection and copying to any hotel worker or hotel worker's designated representative who requests such records.

Section 16. Section 10.37.2 of Article 11, Chapter 1, Division 10 of the Los Angeles Administrative Code as it is in effect as of December 15, 2025, is reenacted in full and amended as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

Sec. 10.37.2. Payment of Minimum Compensation to Employees.

(a) **Wages.** An Employer shall pay an Employee for all hours worked on a Service Contract or if a Public Lease or License or for a Contractor of a Public Lessee or Licensee, for all hours worked furnishing a service relating to the City, a wage of no less than the hourly rates set under the authority of this article.

(1) **Non-Airport Employee Wages.**

(i) If an Employer provides an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the following:

a. On July 1, 2018, the wage rate for an Employee shall be no less than $13.25 per hour.

b. On July 1, 2019, the wage rate for an Employee shall be no less than $14.25 per hour.

c. On July 1, 2020, the wage rate for an Employee shall be no less than $15.00 per hour.

d. On July 1, 2022, and annually thereafter, the hourly wage rate paid to an Employee shall be adjusted consistent with any adjustment pursuant to Section 187.02 D. of the Los Angeles Municipal Code.

(ii) If an Employer does not provide an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the applicable wage rate in Section 10.37.2(a)(1)(i) and an additional wage rate of $1.25 per hour.

(iii) Section 10.37.11 is not applicable to this subdivision.

(2) Airport Employee Wages.

(i) If an Employer servicing the Airport provides an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the following:

a. Beginning on July 1, 2024, the wage rate for an Employee shall be no less than $19.28 per hour

b. Beginning on July 1, 2025, the wage rate for an Employee shall be no less than $22.50 per hour.

c. Beginning on July 1, 2026, the wage rate for an Employee shall be no less than $25.00 per hour.

d. Beginning on July 1, 2027, the wage rate for an Employee shall be no less than $27.50 per hour.

e. Beginning on July 1, 2028, the wage rate for an Employee shall be no less than $30.00 per hour.

f. Beginning on July 1, 2029, and annually thereafter on July 1, the hourly wage rate for an Employee of an Employer servicing the Airport shall be adjusted higher by a percentage equal to the percentage increase, if any, in the Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, as measured from January to December of the preceding year, by 3%, or by an amount established by the City Council for that year, whichever is greater. The DAA shall announce the adjusted rates on February 1st, or within two weeks of the release of the prior year's CPI-W, whichever is later, and publish a bulletin announcing the adjusted hourly wage rates, which shall take effect on July 1st of each year.

(ii) If an Employer servicing the Airport does not provide an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the applicable wage rate in Section 10.37.2(a)(2)(i) and an additional wage rate as follows:

a. Beginning on July 1, 2024, an Employer servicing the Airport shall pay an additional wage rate of $5.95 per hour.

b. Beginning on July 1, 2025, an Employer servicing the Airport shall pay an additional wage rate of $7.65 per hour.

c. Beginning on the effective date of the Initiative Ordinance establishing the increase in this subsection ~~July 1, 2026~~, an Employer servicing the Airport shall pay an Employee an additional wage rate ~~per hour~~ of $8.35 per hour.

d. Beginning on July 1, 2027, an Employer servicing the Airport shall pay an Employee an additional wage rate equal to the health benefit payment in effect for an Employee pursuant to Section 10.37.3(a)(5).

(3) An Employer may not use tips or gratuities earned by an Employee to offset the wages required under this article.

(b) **Compensated Time Off.** An Employer shall provide an Employee compensated time off as follows:

(1) An Employee who works at least 40 hours per week or is classified as a full-time Employee by the Employer shall accrue no less than 96 hours of compensated time off per year.

(2) An Employee who works less than 40 hours per week and is not classified as a full-time Employee by the Employer shall accrue hours of compensated time off in increments proportional to that accrued by an Employee who works 40 hours per week.

(3) **General Rules for Compensated Time Off.**

(i) An Employee must be eligible to use accrued paid compensated time off after the first 90 days of employment or consistent with company policies, whichever is sooner. Compensated time off shall be paid at an Employee's regular wage rate at the time the compensated time off is used.

(ii) An Employee may use accrued compensated time off hours for sick leave, vacation or personal necessity.

(iii) An Employer may not unreasonably deny an Employee's request to use the accrued compensated time off. The DAA, through regulations, may provide guidance on what is considered unreasonable.

(iv) The DAA may allow an Employer's established compensated time off policy to remain in place even though it does not meet these requirements, if the DAA determines that the Employer's established policy is overall more generous.

(v) Unused accrued compensated time off shall carry over until time off reaches a maximum of 192 hours, unless the Employer's established policy is overall more generous.

(vi) After an Employee reaches the maximum accrued compensated time off, an Employer shall provide a cash payment once every 30 days for accrued compensated time off over the maximum. An Employer may provide an Employee with the option of cashing out any portion of, or all of, the Employee's accrued compensated time off, but, an Employer shall not require an Employee to cash out any accrued compensated time off. Compensated time off cashed out shall be paid to the Employee at the wage rate that the Employee is earning at the time of cash out.

(vii) An Employer may not implement any unreasonable employment policy to count accrued compensated time off taken under this article as an absence that may result in discipline, discharge, suspension or any other adverse action.

(4) **Compensated Release Time.** An Employer servicing the Airport who holds a Certified Service Provider License Agreement and is subject to this article shall comply with the following additional requirements:

(i) A CSPLA Employer shall provide an Employee at the Airport, 16 hours of additional compensated release time annually to attend and complete emergency response training courses approved by the Airport.

(ii) By December 31, 2018, and continuing thereafter on an annual basis, an Employee of a CSPLA Employer shall successfully complete the 16 hours of emergency response training.

(iii) An Employee of a CSPLA Employer hired after December 31, 2018, shall complete the 16 hours of emergency response training within 120 days of the first date of hire.

(iv) The 16 hours of compensated release time shall only be used to attend Airport approved annual emergency response training courses. The 16 hours of compensated release time does not accumulate or carry over to the following year. The 16 hours of compensated release time shall not be included as part of the 96 hours of compensated time off required under this article.

(c) **Uncompensated Time Off.** An Employer shall provide an Employee uncompensated time off as follows:

(1) An Employee who works at least 40 hours a week or is classified as a full-time Employee by an Employer shall accrue no less than 80 hours of uncompensated time off per year.

(2) An Employee who works less than 40 hours per week and is not classified as a full-time Employee by the Employer shall accrue hours of uncompensated time off in increments proportional to that accrued by an Employee who works 40 hours per week.

(3) **General Rules for Uncompensated Time Off.**

(i) An Employee must be eligible to use accrued uncompensated time off after the first 90 days of employment or consistent with company policies, whichever is sooner.

(ii) Uncompensated time off may only be used for sick leave for the illness of an Employee or a member of the Employee's immediate family and where an Employee has exhausted their compensated time off for that year.

(iii) An Employer may not unreasonably deny an Employee's request to use the accrued uncompensated time off. The DAA, through regulations, may provide guidance on what is considered unreasonable.

(iv) Unused accrued uncompensated time off shall carry over until the time off reaches a maximum of 80 hours, unless the Employer's established policy is overall more generous.

(v) An Employer may not implement any unreasonable employment policy to count accrued uncompensated time off taken under this article as an absence that may result in discipline, discharge, suspension or any other adverse action.

Section 17. Section 10.37.3 of Article 11. Chapter 1, Division 10 of the Los Angeles Administrative Code as it is in effect as of December 15, 2025 is reenacted in full and amended as follows (with stricken language marked with ~~strikethrough~~, and additional language marked in underline):

Sec. 10.37.3. Health Benefits.

(a) **Health Benefits.** The health benefits required by this article shall consist of the payment by an Employer of at least $1.25 per hour to Employees towards the provision of health care benefits for an Employee and dependents. Beginning on July 1, 2024, the payment amount for health benefits provided to an Employee working for an Employer servicing the Airport shall be at least $5.95 per hour. Beginning on July 1, 2025, the payment amount for health benefits provided to an Employee working for an Employer servicing the Airport shall be at least $7.65 an hour. Beginning on the effective date of the Initiative Ordinance establishing the increase in this sentence, ~~July 1, 2026~~, the payment amount for health benefits provided to an Employee working for an Employer servicing the Airport shall be at least $8.35 an hour.

(1) Proof of the provision of such benefits must be submitted to the Awarding Authority to qualify for the wage rate in Section 10.37.2(a) for Employees with health benefits.

(2) Health benefits include health coverage, dental, vision, mental health, and disability income. For purposes of this article, retirement benefits, accidental death and dismemberment insurance, life insurance and other benefits that do not provide medical or health related coverage will not be credited toward the cost of providing Employees with health benefits.

(3) If the Employer's hourly health benefit payment is less than that required under this article, the difference shall be paid to the Employee as an additional hourly wage.

(4) Health benefits are not required to be paid on overtime hours

(5) Beginning on July 1, 2027~~2026~~, and annually thereafter each July 1, the payment amount for health benefits provided to an Employee working for an Employer servicing the Airport shall be adjusted by a percentage equal to the percentage increase, if any, in the California Department of Managed Healthcare's Large Group Aggregate Rates (LGAR) report, as measured from January to December of the preceding year, or by an amount established by the City Council, whichever is greater. The DAA shall announce the adjusted rates on April 1st, or within two weeks of the release of the prior year's LGAR report, whichever is later, and publish a bulletin announcing the adjusted rates, which shall take effect on July 1st of each year

(b) **Periodic Review.** At least once every three years, the City Administrative Officer shall review the health benefit payment by Employers servicing the Airport set forth in Section 10.37.3(a) to determine whether the payment accurately reflects the cost of health care and to assess the impacts of the health benefit payment on Airport Employers and Airport Employees and shall transmit a report with its findings to the Council.

Section 18. Section 10.37.8 of Article 11, Chapter 1, Division 10 of the Los Angeles Administrative Code as it is in effect as of December 15, 2025 is reenacted in full as follows:

Sec. 10.37.8. City is a Third-Party Beneficiary of Contracts Between an Employer and Subcontractor for Purposes of Enforcement.

Any contract an Employer executes with a Contractor or Subcontractor, as defined in Sections 10.37.1(g) and (n), shall contain a provision wherein the Contractor or Subcontractor agrees to comply with this article and designate the City as an intended third-party beneficiary for purposes of enforcement directly against the Contractor or Subcontractor, as provided for in Section 10.37.6 of this article.

Section 19. Section 10.37.13 of Article 11, Chapter 1, Division 10 of the Los Angeles Administrative Code as it is in effect as of December 15, 2025, is reenacted in full as follows:

Sec. 10.37.13. Liberal Interpretation of Coverage; Rebuttable Presumption of Coverage

The definitions of "City Financial Assistance Recipient" in Section 10.37.1(f), of "Public Lease or License" in Section 10.37.1(l), and of "Service Contract" in Section 10.37.1(m) shall be liberally interpreted to further the policy objectives of this article. All City Financial Assistance Recipients meeting the monetary thresholds of Section 10.37.1(f), all Public Leases and Licenses (including subleases and sublicenses) where the City is the lessor or licensor, and all City contracts providing for services shall be presumed to meet the corresponding definition mentioned above, subject, however, to a determination by the DAA of non-coverage or exemption on any basis allowed by this article, including, but not limited to, non-coverage for failure to satisfy such definition. The DAA shall by regulation establish procedures for informing persons engaging in such transactions with the City of their opportunity to apply for a determination of non-coverage or exemption and procedures for making determinations on such applications.

Section 20. Section 10.37.15 of Article 11, Chapter 1, Division 10 of the Los Angeles Administrative Code is amended to read as follows (with stricken language marked with strikethrough, and additional language marked in underline):

Sec. 10.37.15. Exemptions.

Upon the request of an Employer, the DAA may exempt compliance with this article. An Employer seeking an exemption must submit the required documentation to the DAA for approval before the exemption takes effect.

(a) A Public Lessee or Licensee, that employs no more than seven people total on and off City property shall be exempted. A lessee or licensee shall be deemed to employ no more than seven people if the company's entire workforce worked an average of no more than 1,214 hours per month for at least three- fourths of the previous calendar year. If a Public Lease or License has a term of more than two years, the exemption granted pursuant to this section shall expire after two years, but shall be renewable in two- year increments.

(b) Non-Profit Organizations. Corporations organized under Section 501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. § 501(c)(3), whose chief executive officer earns a salary which, when calculated on an hourly basis, is less than eight times the lowest wage paid by the corporation, shall be exempted as to all Employees other than child care workers.

(c) Students. High school and college students employed in a work study or employment program lasting less than three months shall be exempt. Other students participating in a work-study program shall be exempt if the Employer can verify to the DAA that:

(1) The program involves work/training for class or college credit and student participation in the work-study program is for a limited duration, with definite start and end dates; or

(2) The student mutually agrees with the Employer to accept a wage below this article's requirements based on a training component desired by the student.

(d) Nothing in this article shall limit the right of the Council to waive the provisions herein.

(e) Nothing in this article shall limit the right of the DAA to waive the provisions herein with respect to and at the request of an individual Employee who is eligible for benefits under Medicare, a health plan through the U.S. Department of Veteran Affairs or a health plan in which the Employee's spouse, domestic partner or parent is a participant or subscriber to another health plan. An Employee who receives this waiver shall only be entitled to the hourly wage pursuant to Section 10.37.2(a)(2)(i) and an additional wage rate of:

1. $100 per month for a full-time employee as defined by the Affordable Care Act (ACA) and who works at least 30 hours per week or 130 hours per month; or

2. $50 per month for a half-time employee as defined by the ACA and who works less than 30 hours per week or 130 hours per month.

~~(f) Hardship Waiver for Airport Concessionaires with Less than 50 Employees.~~

~~(1) Airport Concessionaires subject to a lease agreement at Los Angeles International Airport that is in effect at the time of the passage of the ordinance and who have less than 50 employees may apply for a one-year hardship waiver from the requirements of this article.~~

~~(2) Hardship Waiver Application. The DAA shall grant a waiver from the requirements of this article to any Airport Concessionaire who demonstrates that compliance with this article would require the Airport Concessionaire, in order to avoid bankruptcy or a shutdown of the Airport Concessionaire's enterprise, to reduce its workforce by more than 20 percent or curtail its employees' total hours by more than 30 percent. The DAA shall grant such a hardship waiver only after reviewing the Airport Concessionaire's financial condition at the Airport Concessionaire's expense. A waiver granted under this section shall be valid for no more than one year.~~

~~(3) Notice of hardship waiver application. Prior to submitting a hardship waiver application pursuant to this section, an Airport Concessionaire shall provide written notice of the waiver application to all Employees employed by the Airport Concessionaire. Within three days of receiving a waiver determination from the DAA under this section, an Airport Concessionaire shall provide written notice of the determination to all Employees employed by the Airport Concessionaire.~~

~~(4) An Airport Concessionaire that receives a hardship waiver under this Article shall be granted a 12-month delay in providing any new wage and health benefit increases that occur after the date the completed hardship waiver application is received by the DAA. An Airport Concessionaire that is granted a hardship waiver must continue to provide its Employees with the wage, health payment, and other benefits that were in effect on the date the DAA received the hardship waiver application.~~

Section 21. Severability.

If any section, subsection, sentence, clause, phrase, or application of this Ordinance or any part thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this Ordinance. The voters of the City of Los Angeles hereby declare that they would have passed this Ordinance and each and every section, subsection, subdivision, paragraph, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Section 22. Conflicting Measures.

This measure is intended to be comprehensive. It is the intent of the voters of the City of Los Angeles that, should this measure and one or more measures relating to a minimum wage for workers in the City appear on the same ballot, the provisions of the other measure or measures shall be deemed to conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and all provisions of the other measure or measures shall be null and void.

Section 23. Effective Date.

The proposed ordinance that is the subject of this initiative, once approved by the voters at an upcoming election as authorized by law, shall be deemed adopted upon the date that the vote is declared by the City Council, and shall go into effect ten (10) days after that date.

Section 24. Liberal Construction.

This measure is an exercise of the initiative power of the people of the City of Los Angeles to implement the regulations set forth in the Ordinance, and it shall be liberally construed to effectuate these purposes.

Section 25. Amendments.

This Ordinance may not be repealed or amended without approval of the voters of

the City of Los Angeles, provided that nothing herein shall preclude amendments by the City Council that strengthen, enhance, or expand upon the protections or benefits this Ordinance provides for workers. To the extent this Ordinance includes amendments to provisions that it otherwise reenacts in full, it is the intent of the voters that the restated portions of the provisions are reenacted in full and shall not be repealed or amended without approval of the voters of the City of Los Angeles, provided that nothing herein shall preclude amendments by the City Council that strengthen, enhance, or expand upon the protections or benefits this Ordinance provides for workers.